

1 UNITED STATES DISTRICT COURT

2 DISTRICT OF MASSACHUSETTS (Boston)

3 No. 1:20-cr-10098-WGY-4

4
5 UNITED STATES OF AMERICA

6
7 vs.

8
9 VERONICA ZEA

10
11 *****

12
13 For Hearing Before:
14 Judge William G. Young

15 Sentencing

16
17 United States District Court
18 District of Massachusetts (Boston.)
19 One Courthouse Way
20 Boston, Massachusetts 02210
21 Thursday, November 3, 2022

22 *****

23 REPORTER: RICHARD H. ROMANOW, RPR
24 Official Court Reporter
25 United States District Court
One Courthouse Way, Room 5510, Boston, MA 02210
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A P P E A R A N C E S

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1 P R O C E E D I N G S

2 (Begins, 12:30 p.m.)

3 THE CLERK: Criminal matter 20-10098, the United
4 States of America versus Veronica Zea.

5 THE COURT: Good morning counsel, or good
6 afternoon. Would counsel identify themselves, starting
7 with the government.

8 MR. KOSTO: Assistant United States Attorney Seth
9 Kosto on behalf of the government, your Honor. Good
10 afternoon.

11 THE COURT: Good afternoon.

12 MR. UBHAUS: And Frank Ubhaus on behalf of
13 Veronica Zea, who is present.

14 THE COURT: And good afternoon to you both.

15 May I talk to her directly about the presentence
16 report?

17 MR. UBHAUS: Absolutely.

18 THE COURT: Ms. Zea, have you read the presentence
19 report that's been prepared in your case?

20 THE DEFENDANT: Yes.

21 THE COURT: Have you talked it all over with your
22 attorney?

23 THE DEFENDANT: Yes.

24 THE COURT: Do you think you understand it?

25 THE DEFENDANT: Yes.

1 THE COURT: Thank you.

2 Nothing's been withheld from the presentence
3 report under the rules of criminal procedure?

4 PROBATION OFFICER: No, your Honor.

5 THE COURT: Very well.

6 This is a sentencing pursuant to 18 United States
7 Code Section 3553(a). Sentencing in this session of the
8 court really involves four steps and the first three are
9 largely arithmetical. I calculate the highest sentence
10 that, as I interpret the Constitution of the United
11 States, it would be open to the Court to impose. I look
12 at the average sentences from the publicly-available
13 databases for sentences for this particular crime. I do
14 not sentence by any average or algorithm, rather I look
15 there to see what weight to be given to the now-advisory
16 sentencing guidelines. Finally I calculate accurately,
17 as I am required to by the law, the United States
18 sentencing guidelines.

19 If anyone would differ with any of the Court's
20 calculations, I want you to interrupt me and we will try
21 to resolve that issue.

22 Then we'll turn to the fourth and most important
23 aspect of the proceeding, the -- to devise a fair and a
24 just sentence in Ms. Zea's case. For that I'll hear the
25 government, I'll hear defense counsel, and I'll hear

1 from Ms. Zea if she wishes to be heard from.

2 I neglected to say, or ask Mr. Kosto, do victims
3 wish to be heard in this proceeding?

4 MR. KOSTO: They are here, your Honor, and they do
5 wish to be heard, your Honor.

6 THE COURT: And that is their right and they may
7 be heard and we'll do that after the arithmetic portion
8 and prior to argument by counsel.

9 You should also understand that I have read all
10 the papers in this case and, um, the government has made
11 a certain motion in this case, that motion is allowed.
12 That does not signal that the Court adopts the
13 government's recommendation.

14 All right. With those matters stated, let me, um,
15 first calculate the highest sentence, as I understand
16 the Constitution of the United States, that the Court
17 could impose in this case, and that sentence is the top
18 of the applicable guideline without regard to any
19 mitigating factors.

20 So I have to look at the sentencing guidelines to
21 begin here and, um, here, um, starting on Page 24 of the
22 presentence report, I must look to the sentencing
23 guidelines -- and so if I discount anything that goes to
24 mitigate the sentence, in Count 1 the base offense level
25 is 18, I add two levels because of the pattern of

1 activity involving stalking, threatening, harassing,
2 actions against the same victim. At the moment we won't
3 consider any adjustments downward for role in the
4 offense. So that would take us to 20. And, um, I add
5 another two levels for obstruction of justice, and that
6 takes us to 22.

7 As to, um, the conspiracy, that's, um -- without
8 an adjustment that is also a 20 -- not also a 20, the
9 first is 22, and the greater of the two-above levels is
10 22. Let me ask the probation for help here.

11 So I'm not taking into account anything that would
12 mitigate that sentence. So what is the grouping rule if
13 one is at a 22 and the other is at a 20?

14 PROBATION OFFICER: So what I'm looking at, your
15 Honor, is two separate groups because there's two
16 separate victims --

17 THE COURT: Understood.

18 PROBATION OFFICER: -- and they have the same base
19 offense level of 18. And then if you look at Paragraph
20 157, it explains that they both come out to the adjusted
21 offense level of 20, they're both assigned one unit, um
22 --

23 THE COURT: But if I don't mitigate it, that's
24 what I'm looking at now, they're at 22, is that not so?
25 And that would take us to 24 then.

1 (Silence.)

2 THE COURT: Mr. Kosto?

3 MR. KOSTO: Consistent with the Court's practice,
4 if the Court takes the adjusted offense level in the
5 presentence report of 22, removes the benefit of the
6 minor role adjustment, and removes the typical benefit
7 afforded to a guilty plea, what the Court would have is
8 an offense level for these purposes of 27 and a
9 guidelines range of 70 to 87 months.

10 THE COURT: Thank you, that's exactly what I
11 wanted to -- I at least wanted the calculation.

12 And therefore the -- and therefore the, um -- the
13 highest sentence the Court could impose upon these two
14 counts statutorily is 5 years, but I could go up to 87
15 months under the Constitution, um, making one of the
16 sentences consecutive. All right.

17 Actually if we look at the publicly-available
18 databases, there is no statistically-significant group
19 of sentences upon which the United States Sentencing
20 Commission nationwide can advise as to average
21 sentences, and the only times this Court has sentenced
22 for this crime is in this particular case. I've never
23 faced these crimes before having the responsibility of
24 sentencing in this particular case. So really there's
25 no average to calculate.

1 The Court now turns to accurately calculating the
2 sentencing guidelines, and I express my thanks to the
3 probation officer here, and we'll take the Victim 1
4 first, um, though there are two groups.

5 The base offense level is 18. As I said, I add
6 two levels because of the pattern of activity. Here I
7 do conclude that Ms. Zea was a minor participant. I
8 subtract two levels. I add in two levels for
9 obstruction of justice. That gives us an 18.

10 For, um -- when I look at the, um, conspiracy,
11 that's base offense level 18, I add two levels for the
12 pattern, subtract the two levels for a minor
13 participant, add in two levels for obstruction of
14 justice, and for each of the victims the adjusted
15 offense level is 20. Two units, brings us up to 22. I
16 do go down three levels for the guilty plea. Taking us
17 to an ultimately-adjusted offense level of 19, a
18 criminal history category of 1.

19 So I am advised to, um -- though I can certainly
20 take into account the government's motion, and I will,
21 I'm advised to a sentencing range of not less than 30
22 nor more than 37 months, a period of supervised release
23 of not less than 1 nor more than 3 years, a fine of not
24 less than \$10,000, nor more than \$100,000, and there
25 must be a special assessment of \$200.

1 Are the guidelines, as a matter of arithmetic,
2 accurately calculated, Mr. Kosto?

3 MR. KOSTO: Yes, your Honor.

4 THE COURT: Defense counsel?

5 MR. UBHAUS: Yes, your Honor.

6 THE COURT: That's the guideline calculation. I
7 will hear the victims.

8 MR. KOSTO: Thank you, your Honor. David and Ina
9 Steiner would each like to address the Court.

10 THE COURT: And they both may.

11 MS. STEINER: Thank you, your Honor.

12 Can you hear me okay?

13 THE COURT: I can hear fine. Thank you.

14 MS. STEINER: My name is Ina Steiner, I am Victim
15 1.

16 Defendant Veronica Zea joined ebay's security
17 department in May of 2017 as a contract worker. The
18 following year, ebay fired Concentric Advisors and hired
19 "Progressive Force Concepts," known as "PFC," which
20 continued to pay her salary while she was placed at
21 ebay.

22 PFC was a company well-known to defendants --
23 co-defendants Jim Baugh and David Harville. David
24 Harville had collaborated with PFC in the design of a
25 tactical knife that he promoted and sold on his website.

1 In fact, on August 20th, 2019, just days after
2 returning to San Jose after Harville had surveilled
3 David and me in Natick along with defendants Baugh and
4 Zea, Harville promoted PFC in a social media post
5 advertising the weapon.

6 Two years ago Defendant Zea told the New York
7 Times of the deeply-troubling work environment at ebay,
8 including a disturbing instance in which defendant Baugh
9 took a knife and stabbed a chair at ebay headquarters.

10 But Defendant Zea willfully turned a blind eye to
11 those things. She told the Times her ambition was to be
12 hired by ebay as an employee.

13 But ebay needed to retain some contract workers
14 from PFC to finance the conspiracy.

15 The so-called "off-the-grid" expenditures used by
16 the defendants to terrorize David and me were paid by
17 defendant Zea's PFC-issued credit card.

18 Imagine how two companies, one a publicly-traded
19 company, could finance a campaign the scope of this one
20 that included lavish hotel rooms and Sunday morning
21 brunches -- a \$255 funeral wreath, and live spiders and
22 cockroaches, and have it all approved by ebay
23 executives.

24 In a Power Point presentation ebay made to federal
25 prosecutors in March 2021 in its efforts to avoid

1 prosecution, ebay cavalierly referred to PFC's financing
2 as an "expensing loophole."

3 Ebay has swept this troubling financing aspect
4 under the rug as it has done with so many things
5 regarding this case, when instead, it should disclose
6 everything it knows.

7 THE COURT: Ms. Steiner, I really want to hear
8 everything you have to say, but you will understand that
9 I have this individual here for whom it is my judicial
10 responsibility to fashion a fair and a just individual
11 sentence. Now I take very much into account the
12 circumstances, all the circumstances, the others
13 involved for whom she was working, what was done, but
14 ebay is not a party to these proceedings, cannot be
15 heard, and has not been heard in these proceedings.

16 I'll hear you. Go ahead.

17 MS. STEINER: Thank you, your Honor.

18 It's, um -- it's difficult for us to separate --

19 THE COURT: I'm not asking you to, I'm simply
20 trying to understand my responsibility here today.
21 There may be other proceedings. But that's not today.
22 But go ahead.

23 MS. STEINER: Should I change or --

24 THE COURT: You may. You may go right ahead.

25 MS. STEINER: Okay. Thank you, your Honor.

1 I think that it's -- employees deserve this and
2 the sellers who use the platform deserve this, and I
3 think the shareholders deserve this. And I think David
4 and I also have a right to answers about the crimes that
5 have impacted our lives so significantly.

6 On August 20th, 2019, Zea answered her phone at
7 the Ritz Carlton Hotel and told a Natick police
8 detective she would join him in the lobby regarding the
9 activity in Natick involving a car she had rented, but
10 instead, she fled the hotel and immediately flew back
11 home to California.

12 She had hours on the plane to reflect on what had
13 happened. Instead of doing the right thing, she
14 welcomed her co-conspirators' help as they coached her
15 to lie to investigators.

16 Defendant Zea played an indispensable role in the
17 terrorism campaign against us.

18 In its June 2020 affidavit, the government
19 outlined the conspirators' plan to send gang members to
20 our home.

21 Defendant Zea wrote in her sentencing memo, "Jim
22 Baugh started to explain that defendant Brian Gilbert's
23 recent trip to Southern California to speak with Samoan
24 gang members were related to what we were doing. He
25 said he had a backup plan to send "thugs" if needed.

1 How could a young woman be okay with listening as
2 her co-defendants dreamed up schemes to send an ordinary
3 middle-aged couple threatening deliveries? How was she
4 okay with following them around town in rental cars she
5 had reserved and paid for through PFC? And how could
6 she be okay with sending gang members to their home?

7 Of course I'm also wondering how a former police
8 captain could do such a vial and dangerous thing?

9 Defendant Brian Gilbert called me in August 2019
10 to offer assistance in a doxing and harassment campaign
11 of his employer's making and attempted to ambush me at
12 the Natick Police Department with false dossiers meant
13 to look -- to make us look like a security threat.

14 We would also later learn that defendant Gilbert
15 brushed past us in our driveway during our yard sale in
16 June 2019 as he scoped out our property, two months
17 before he and his colleagues would unleash their full-
18 blown terrorism campaign against us.

19 My life will never be the same. Even mundane
20 things I took for granted are no longer options, like
21 holding the occasional yard sale. The thought of being
22 alone at home at night still terrifies me.

23 As difficult as it is to come before a federal
24 judge and attempt to explain how I was impacted, each
25 time I appear brings me forward on a journey, though

1 there will never be a final destination called "normal."

2 By appearing in person before this Court, I can
3 see the people who stalked me who otherwise would remain
4 faceless names on a piece of paper, providing me some
5 level of closure.

6 We are here because of something dark that
7 happened in our lives. The courtroom is an opportunity
8 to shed light on the darkness, as painful as it is, so
9 we can all seek our way forward.

10 Thank you, your Honor. And I'd like to request
11 that my victim statement be placed on the docket.

12 THE COURT: It may be. It will be received and
13 docketed.

14 MS. STEINER: Thank you.

15 THE COURT: Mr. Steiner.

16 MR. STEINER: Thank you, your Honor.

17 If I could just preface this statement by saying
18 that it's very difficult to separate what happened to us
19 personally from what happened to us as journalists. So
20 in that spirit, um, my name is David Steiner, I'm Victim
21 Number 2.

22 In August 2019, Ina and I were frantic. Online
23 threats and disturbing deliveries were coming at a
24 rapid-fire pace. Our peaceful one-way street turned
25 into a caravan of Natick police cruisers, responding to

1 incident after incident in our home. Neighbors were on
2 edge, and after being tailed twice by strange vehicles
3 in three days, I knew that whoever was threatening us
4 online was now right outside our door. I had no doubt
5 that Ina's life was in danger, and we were terrified.

6 We're grateful to the Natick Police Department and
7 the FBI for taking our reports seriously, stopping the
8 harassment and pursuing this case. We are also grateful
9 to the U.S. Attorney's Office for taking the case as far
10 as they have.

11 But on October 11th, this Court had it exactly
12 right. This is bigger than what happened to Ina and me.
13 This is broader than 7 defendants who have pled guilty
14 to crimes related to cyberstalking and harassment. The
15 Court's words that day resonated with me when it said,
16 "This is one of the most important cases upon which this
17 Court has ever sat. The skills which defendants
18 employed to go cyberstalking are an extreme danger, and
19 when you put those skills to service of some large
20 corporate entity with economic power to go after
21 individuals and squash down their speech, we are all at
22 risk. All of us."

23 And those words validated, finally, what Ina and I
24 have been imploring the government to do for the better
25 part of three years, to go deeper. We realized the

1 larger implication of this case within hours of
2 discovering who was behind our cyberstalking and
3 harassment.

4 Ebay's actions were a danger to the First
5 Amendment.

6 But to date, the government has not moved beyond
7 the 7 people who have pled guilty to these horrific
8 crimes. According to ebay's own internal investigation,
9 Steve Wymer, ebay's former chief communications officer,
10 obstructed the investigation and destroyed evidence.

11 These were the same charges prosecuted
12 successfully against some of the defendants. Why was
13 Wymer not indicted? As we were told, sitting across the
14 table from the U.S. Attorney, he refused to be
15 interviewed by the FBI and the U.S. Attorney. Wymer has
16 not been held accountable and now holds the position of
17 CEO of the Boys and Girls Clubs of Silicon Valley.

18 So was former ebay CEO Devin Wenig and Wendy
19 Jones, who oversaw ebay's global intelligence. For
20 their participation and for creating the culture that
21 allowed this corporate terrorism to occur, they've been
22 rewarded with board seats.

23 As for defendant Zea, she was a contractor for
24 Progressive Force Concepts and was placed at ebay. She
25 was clearly in the middle of this conspiracy, which

1 would not have occurred without the financial backing
2 provided by PFC. Zea's use of PFC funds to facilitate
3 the deliveries, the flights to Boston, hotel rooms,
4 lavish meals, and rental cars, all allowed the
5 conspiracy to continue. When caught, she quickly tried
6 to hide her trail online by taking down her LinkedIn
7 profile, Facebook page, and Twitter account. She lied
8 to investigators and obstructed authorities by
9 destroying evidence.

10 Not only did she and her fellow conspirators do
11 untold harm to a person I love dearly, but they also
12 tried to silence our reporting. This is our livelihood.
13 And in the process, assaulted the most important right a
14 United States citizen is born with.

15 Ina's been portrayed in court filings in the media
16 as a "blogger," or "ebay critic." She's a journalist.
17 A longtime member of both the Online News Association
18 and Investigative Reporters and Editors. Her reporting
19 has always been fair, balanced, well-researched, and an
20 immeasurable help to ebay's own customers, the online
21 sellers that fuel the marketplace's success. To try to
22 stop her reporting is incomprehensible to me.

23 There are many casualties resulting from ebay's
24 actions. 7 people have ruined their lives. Ebay's own
25 customers, online sellers, have lost trust in the

1 company that they depend on for income. Our own
2 emotional and financial security has been severely
3 damaged. And this case has left me cynical about how
4 our justice system works.

5 There's a separate justice for powerful people and
6 mighty corporations. They can refuse to cooperate or
7 hire outside counsel to "self-investigate" to avoid
8 criminal prosecution. It's also not lost on me how many
9 former prosecutors were involved in representing the
10 defendants and how many we'll face on the civil side.

11 Last year, Andrew Lelling, the U.S. Attorney whose
12 office charged this case against the 7 defendants did a
13 podcast for his current employer in the private sector
14 along with former Assistant U.S. Attorney Amy Burkhart.
15 The topic of the podcast was, "The Ebay Cyberstalking
16 case: Mitigating the Compliance Risks of Employee
17 Misconduct." The two former prosecutors who led this
18 case were now using our nightmare as a marketing tool to
19 drum up corporate clients that might find themselves in
20 the same position as ebay, and in need of a good
21 experienced law firm.

22 The takeaway from me was, how hard is a prosecutor
23 willing to go after a corporation when down the road
24 they might be courting that same company for their
25 business?

1 The First Amendment outlines our most precious
2 right as a U.S. citizen. It's widely considered our
3 most important constitutional right. A free press is a
4 vital component to living in a free society. Without it
5 there's no way to hold up truth to power.

6 Large powerful corporations should not be allowed
7 to use their immense resources to intimidate, threaten,
8 and silence reporters just because they don't like the
9 message.

10 This is the sixth victim impact statement I've
11 given in this case. The government has stated that this
12 is an ongoing investigation. I have my doubts. Ina and
13 I are more than willing to do what is required of us in
14 the event this case is ever fully prosecuted. It's an
15 obligation we feel deeply as citizens of this country
16 and a responsibility we owe to other journalists.

17 To ignore the larger context of this case is to do
18 so at our own peril.

19 I'd like to thank the Court for considering my
20 words and also request my statement be placed on the
21 docket.

22 THE COURT: It may be, and I thank you both.

23 MR. STEINER: Thank you.

24 THE COURT: All right. Now we'll turn to the
25 fourth step and we'll start by hearing the government.

1 Mr. Kosto.

2 MR. KOSTO: Thank you, your Honor.

3 The United States, as mentioned in its memorandum,
4 requests that the Court impose a sentence on Ms. Zea of
5 2 years probation concurrent on each count, with the
6 first year of that sentence to be served in home
7 confinement with the standard exception to permit work
8 and religious observance and medical appointments and
9 similar. That the Court impose a \$5,000 fine and the
10 required \$200 special assessment.

11 As we described in our papers, your Honor, Ms. Zea
12 is among the or the least culpable of participants in
13 the conspiracy that's charged in the information in
14 terms of her seniority at ebay, in terms of the actions
15 that she took at the direction of others, in terms of
16 having less visibility into the full scope of the
17 activities that were directed at the Steiners that the
18 Court has just heard about.

19 What I should say, however, your Honor, is that
20 the victims in this case are sitting behind me, or were
21 sitting behind me, they're not next to me. The
22 defendant, whatever her work environment was at ebay,
23 which the government's taken into account in its
24 sentencing recommendation, um, is not a victim in this
25 case, is someone who knowingly and willfully took part

1 in a campaign that is horrifying, and horrifying for the
2 reasons Mr. Steiner very eloquently articulated, but
3 horrifying objectively on the facts of what was arriving
4 there in boxes and what was arriving on their doorstep.
5 But for the motion that the government filed in this
6 case, the government would be seeking a term of
7 imprisonment for Ms. Zea, as it would have for
8 Mr. Stockwell and as it did for Ms. Popp, Mr. Cook,
9 Mr. Baugh, and Mr. Harville.

10 The government submits that a custodial sentence,
11 however in light of that motion, is not needed in this
12 case to individually deter Ms. Zea, she's spoken at
13 great length about the impact of this case on her in her
14 submission attached to her sentencing letter, which is
15 part of the docket, and the government credits her
16 assessment and the defendant's assessment that it need
17 not worry about individually deterring her.

18 Given the facts of the case, given the, um,
19 seriousness of the offense, the government submits that
20 some general deterrent component is necessary for this
21 sentence even where there is no custodial term and that
22 home confinement portion of the sentence both serves
23 that term so that this is not a -- so that this has a
24 going-forward affect on Ms. Zea's life, and also matches
25 the sentence that the government requested and that the

1 Court imposed on Ms. Stockwell, who in the government's
2 assessment was very similarly culpable in terms of her
3 rank within the organization, and as the government
4 suggested in its memo, this issue of relative power, um,
5 and experience within the conspiracy.

6 The Court is familiar with the roles of former
7 police officers and individuals with 20-plus years
8 experience in the security industry, individuals who
9 have worked in Fortune 500 corporations previously,
10 Mr. Baugh and Mr. Harville, um, Officers Cook and
11 Gilbert, who are both retired police captains, on the
12 one hand, and defendants like Ms. Zea and Ms. Stockwell
13 who were in their first jobs out of college with no
14 relevant experience. It doesn't take these defendants
15 outside the range of knowing and willful culpability for
16 getting involved in something that was criminally beyond
17 the line, but it mitigates the necessity for the
18 imposition of as serious a sentence that others of the
19 defendants have received in this case.

20 We take into account in our recommendation also
21 the submissions from Ms. Zea's treating medical
22 providers and in the government's assessment her medical
23 and mental health did have a role in the decisions that
24 she made to participate and then obstruct the
25 investigation.

1 Unless the Court has any further questions, that's
2 the reason for the recommendation here. We've spoken at
3 great length about the seriousness of the offense, we've
4 agreed with the Court on the implications that this case
5 has on First Amendment journalism, Mr. Steiner stated it
6 as well as could be said. And that alone bespeaks the
7 seriousness of the crime.

8 THE COURT: Thank you.

9 Mr. Ubhaus.

10 MR. UBHAUS: Yes, thank you, your Honor.

11 I think we have covered a lot of this ground in
12 our sentencing memorandum --

13 THE COURT: Which I've read with care and you can
14 be sure of that.

15 MR. UBHAUS: Yes, and I appreciate it, your Honor,
16 and I appreciate it, as Ms. Zea appreciates the
17 government's recommendation. We do take exception to
18 the one year of home confinement, and I'll get to that
19 in a moment.

20 As we've pointed out in our papers, Veronica Zea
21 at 25 with no work experience started at ebay
22 encumbered, as the government has recognized, encumbered
23 by some severe mental, emotional, um, psychological
24 issues, but she was full of enthusiasm, she believed
25 this was the start of the work career that she really

1 wanted to have in law enforcement, um, had no
2 experience, no -- now remarkably because of the some
3 health issues, no experience in the work field, really
4 at all, um, taking tickets at a carnival ride, um, and
5 had nothing to compare it with. After when this all
6 happened, she did get a job at Facebook for a while and
7 realized there's a whole different way of doing these
8 things.

9 Unfortunately she ended up in the security arena
10 at ebay working for Jim Baugh. And when I got involved
11 in this case, it was hard for me to believe, and I think
12 it's been hard for everybody to believe that something
13 like this could happen. I mean how in the world could a
14 -- as Mr. Kosto said, a Fortune 500 company, allow this
15 to happen? They allowed it to happen because they had
16 somebody like Jim Baugh in the position that he was in.
17 And as I think it was Annalese Oleson's letter, which
18 I've attached to my declaration, where she described
19 what working in Jim Baugh's security department was
20 like, and she described it as a "cult."

21 I think as the fellow who was the CEO of
22 Concentric, after they had been fired by Jim Baugh, and
23 he remarked I think in one of the sentencing memoranda,
24 or actually in the news article that covered this, that
25 he saw it as a cult. That he saw what Jim Baugh and the

1 others, Stephanie Popp and the others were doing,
2 particularly to the young analysts, was conditioning
3 them, and Veronica Zea was a perfect foil for that
4 conditioning.

5 She was -- she was conditioned by Baugh to follow
6 orders, and she was inclined to do that anyway, she was
7 conditioned by Baugh and other executives at ebay -- and
8 I certainly take the Steiners' comments to heart because
9 I feel the same way about the responsibility of people
10 at ebay, because this all came down from the top. And
11 because it all came down from the top, it was
12 believable.

13 It was believable that to somebody like Veronica
14 Zea, with her lack of experience, it was believable that
15 "Ecommerce Bites," the Steiners' newsletter, did in fact
16 -- at the beginning did in fact present a threat, that
17 it presented a threat to ebay itself, to the ebay
18 employees, to ebay executives. That's what Jim Baugh
19 conveyed -- and that's what was conveyed to him, but
20 that's what he conveyed to Veronica Zea and she bought
21 it, at least initially.

22 And it was sort of like cooking the fraud because
23 I think the -- initially I think for Veronica she did
24 the few things that Baugh asked her to do, and then
25 realized over time that this was far worse than she had

1 ever realized. But at that point I think in her
2 condition, in her state, she couldn't get out.

3 But she has -- her life has been literally torn
4 apart by what happened here. As I said, she was a young
5 woman with a promising future, she now has two federal
6 felony convictions that will stick with her for the rest
7 of her life.

8 She is saddled with guilt and remorse. I think as
9 she conveyed in her submittal to the Court, and has been
10 conveyed I think very very eloquently by all of the
11 people who have written letters on her behalf, that she
12 has been saddled with guilt and remorse for the last
13 three years. She has -- the last three years
14 effectively have been on home confinement.

15 She finally, after she lost her job at ebay, then
16 she lost her job at Facebook when the criminal charges
17 were filed, she was then unemployed for 8 months, living
18 at home, and because of her condition, which has been
19 described by a number of her family and friends, she
20 really was unable to go out. The only job that she got
21 was through a friend of her mother's, a woman who's a
22 dean of Lincoln Law School, who I know, she got her a
23 job as a clerical -- really just to help out, at \$25 an
24 hour, and that's all she's been able to do for the last
25 couple of years.

1 She has been -- and this is not in any way to
2 belittle what the Steiners have suffered. I mean I
3 can't even begin to imagine, nor can Veronica, what
4 they've had to go through. And hopefully -- and it
5 looks like this may be the last sentencing in this saga,
6 that they can move on from here as well.

7 The -- my concern with the -- I will say that this
8 is one of the most difficult cases in close to 50 years
9 of experience that I've had. It's hard to understand
10 how it happened. It's hard to understand a company like
11 ebay. It's hard to understand how these young women got
12 caught up in this, because we all agree that she
13 shouldn't be here. But for the circumstances, a number
14 of circumstances that we've outlined in our pleadings
15 and the government has outlined, she wouldn't be here.
16 This was not something she set out to do.

17 She needs the ability to get on with her life.
18 She has -- as I said, she has been -- she's been
19 punished substantially. Not only the felony
20 convictions, the lack of employment, the inability to go
21 out and really engage with life for the last three
22 years, but for her it's -- from this point going
23 forward, it's starting over, and she's starting over
24 carrying these two felony convictions with her.

25 And I submit, your Honor, that a year of home

1 confinement really doesn't -- I just don't -- I just
2 don't believe that it is -- it is the just and fair
3 sentence that the Court is looking for, given the
4 circumstances, given what's happened to her, given her
5 role in this offense, which is, as the probation office
6 and the government recognizes, the least culpable of all
7 the defendants. Having another year of home confinement
8 will simply make it just that much more difficult for
9 her to get out and get beyond this -- get beyond this
10 nightmare.

11 So with that, your Honor, unless there are
12 questions for me, Ms. Zea does wish to direct comments
13 to the Court as well as to the Steiners.

14 THE COURT: And she may.

15 MR. UBHAUS: Thank you, your Honor.

16 THE COURT: Ms. Zea, you have the right to talk to
17 me directly. You are not required to. But if you want
18 to, I'll hear you now.

19 THE DEFENDANT: Yes, thank you, your Honor.

20 I'm sorry, I'm not usually emotional in front of
21 others so this might, um, take me a minute.

22 I would like to begin by saying how sorry I am.
23 I've spent a lot of time about worrying about how to
24 convey the full depths of my grief over this, and if I
25 may I'd like to address Mr. and Mrs. Steiner directly?

1 THE COURT: You may.

2 THE DEFENDANT: (Turns to Steiners.) I'm sorry.

3 I'm sorry I played a role in hurting you.

4 (Pulls microphone closer.)

5 Oh, thank you. I'm a soft speaker. It haunts me
6 daily. I would like to give you some context on my
7 involvement because for a few years now I've wanted to
8 apologize and to give you a better understanding on at
9 least one of the people involved in what is being
10 referred to as "The campaign."

11 I was not an eager participant in what occurred, I
12 was not laughing or scheming behind the scenes, I was
13 terrified, um, but I was not brave enough to remove
14 myself from the situation and continue to follow Baugh's
15 instructions.

16 I have PTSD. I can't sleep. When I do, I
17 regularly wake up in a cold sweat from nightmares. I
18 don't trust anyone new. I've lost chunks of my hair and
19 the ability to cook for myself and have had chronic back
20 and chest pains since the beginning of the year, the
21 weight of the guilt physically weighing me down, and
22 many other things. I feel like I've died. I wouldn't
23 wish it on anyone. And the fact that I likely only feel
24 a fraction of the fear and stress that you have and that
25 I played a part in causing it is killing me. I am so

1 deeply sorry. I do not expect forgiveness because I
2 understand you not being able to forgive me. I don't
3 think I will ever learn to do so myself.

4 (Turns back to court.)

5 Thank you. What I have learned is to understand
6 my actions a little better. I know I should have said
7 "No," I know that I should have trusted my instincts,
8 and I knew then too, but I was so scared and felt so
9 helpless. I didn't know how to remove myself from the
10 situation.

11 I'm not trying to excuse my participation. I knew
12 that it was wrong. I would just like to give some
13 explanation in hoping that it can bring the Court some
14 understanding and give the Steiners some information
15 about at least one of the shadowy figures that partook
16 in these actions.

17 When Baugh first told me that he wanted to send
18 items to the Steiners, he explained it as a sort of
19 reciprocation. He said the Steiners had a history of
20 publishing private information about those who spoke
21 publicly in favor of ebay.

22 He told me the items sent. Once he showed them
23 how doxing impacted people, he said they'd be fully
24 aware that the items were from ebay and that they
25 wouldn't be scared because they would not expect it. I

1 think he just knew how to keep me going along.

2 But once it became clear that his actions were far
3 more nefarious, I was desperate to leave, but the way my
4 brain works I couldn't comprehend jumping without the
5 safety net of another job, and I was threatened many
6 times when it seemed that I was looking elsewhere for
7 employment.

8 So I stayed and things got worse. I witnessed him
9 and others say and do things far beyond my comfort
10 level. My brain started to work kind of like an optical
11 illusion, I was bending my perception of reality to
12 compensate what I was really seeing, like how our brains
13 sometimes rewire a memory to try to protect us from how
14 awful it was. My brain was doing that in real-time.

15 Baugh told me that he would destroy anyone that
16 ruined his operation. He let me know that I now had too
17 much, quote, unquote, "skin in the game to quit," that
18 he would destroy my life and those of others around me.
19 That if he went down for anything, he would be sure to
20 bring me down with him. I again believed him and felt
21 scared for my family and myself. I put our safety over
22 the Steiners and I regret it to this day.

23 I feared for myself but I also feared for the
24 three analysts younger than me in the unit. I felt a
25 sense of protection over them like I needed to protect

1 them from the dangers of Baugh. I regret that I failed
2 to get help from higher-ups because I thought they were
3 involved in all of this too. I failed to ensure things
4 were prevented from that point on.

5 I spent my time in Massachusetts scared out of my
6 mind with panic attacks. It was the worst week of my
7 life. I was used as a tool for evil and I regret it
8 every day and I hate myself for it.

9 I seem to see Baugh everywhere I go, most days
10 it's like I can hear him calling me terrible names still
11 whenever I make a slight error. I can't shake the
12 feeling that he's watching me. I physically run away
13 from men that bear a likeness to him. I flinch every
14 time I see a car that looks like his.

15 It wasn't until my first proffer with AUSAs that
16 it really dawned on me that there was this First
17 Amendment root of this all, the First Amendment right.
18 Baugh told me we were sending items to send a message.
19 He said we needed to determine if the Steiners were
20 being paid by new members of the board to influence the
21 stock. He told me it was illegal and we needed to take
22 evidence to the police.

23 I know I should have seen through it, but I was
24 too trusting. I didn't realize until it was far too
25 late that his ultimate goal was to have it all taken

1 down. I'm so sorry that I was included in all of this
2 to not respect one of the most precious of human rights.
3 For that I also apologize.

4 I was scared, I feared further mental and physical
5 repercussions, and I simply didn't know how to remove
6 myself. I'm working every day to build the skills to
7 ensure this never happens again.

8 I so hope that when these sentencing hearings are
9 all done, that the Steiners are able to feel some peace
10 and some semblance of normal. I hope that I am able to
11 get back -- to get some life back into myself and I can
12 find the energy to again serve others. One of my
13 strongest desires is to be able to help others.

14 The most important thing in my life to me is my
15 family. My mom is one of my best friends. I want to
16 thank her for being here with me today. I know it's not
17 easy on her and my dad, my sister, and the rest of my
18 family, as well as my boyfriend. I'm grateful every day
19 that I have such amazing people in my life. I almost
20 wish I didn't have such a support system because I don't
21 feel like I deserve it.

22 The course of my life has changed mentally and
23 permanently and I'm determined to find a path where I
24 can do good moving forward.

25 Thank you.

1 (Pause.)

2 THE COURT: Ms. Veronica Zea, in consideration of
3 the offenses of which you stand convicted, the
4 information from the United States Attorney, your
5 attorney, the probation office, and yourself, and
6 pursuant to 18 United States Code Section 3553(a), this
7 Court sentences you to 2 years of probation, the first
8 12 months of your probationary term will be served in
9 home confinement. You may leave the home to work, for
10 religious observances, you may leave for -- to consult
11 with your attorney, for any medical appointments you may
12 have, but other than that you will be in that home. The
13 Court imposes upon you a \$5,000 fine. The Court imposes
14 a special assessment, as it is required to, of \$200.
15 The sentence on each count runs concurrent, one with the
16 other.

17 Let me explain this sentence to you. I believe
18 what you said to the Court, I believe that that
19 accurately describes how you view what happened here,
20 and I will say to you, and I have no hesitancy in
21 saying, that it hurt me to hear you say that you do not
22 deserve the support system that you have. That's not
23 true, Ms. Zea. You do deserve it, because you are a
24 human being with the rest of your life before you. And
25 it need not -- it need not be defined by what has

1 happened here, and it's up to you to decide whether it
2 will be so defined. But you do deserve the love and
3 caring of all those people who care for you.

4 Let's be very clear though. You are guilty of
5 these two crimes. You are not the only one that is
6 guilty and my view is considerably different than yours,
7 and I have no hesitancy in saying this. Your attorney
8 -- and he's done a fine, able, and professional job for
9 you, he says "It's hard to believe that a company,
10 publicly-traded such as this, could engage in such
11 conduct." I've been privileged to serve as a judicial
12 officer for 44 years. It is not hard to believe at all.

13 Who was it, Montesquieu, who said that "Power
14 corrupts and absolute power corrupts absolutely"? We
15 tolerate in this nation great aggregations of economic
16 power. That power, it has been the experience of this
17 Court, is sometimes abused. When it is abused, those
18 who abuse it ought be brought to account. What I said
19 and was referred to in an earlier sentencing is exactly
20 the case. This is one of the most important -- your
21 case, with this relatively light sentence, is one of the
22 most important cases on which I have ever sat because it
23 exemplifies, it's representative of the misuse of
24 corporate economic power. You are a part of that. And
25 it's for other proceedings to adjudicate the legal

1 responsibility, and I express no opinion. I have the
2 responsibility for sentencing you. But it's not hard to
3 believe.

4 And I struggle with how it can be, in your case,
5 that you did not realize at the outset -- again your
6 attorney argued this. I don't fault him for making the
7 argument but it struck me that he said, "Well, you know,
8 this came down from on top and at first it looked all
9 right." It never looked all right. When did you learn
10 about the First Amendment, isn't that something they
11 taught before you got out of school? We're talking
12 about speech. It is properly said that the First
13 Amendment doesn't protect the speech that we like,
14 that's easy, it protects the speech that we hate. You
15 should have understood that. It is no excuse that this
16 was your first job. And the implications of this case,
17 this particular case, your case, resonate throughout the
18 society.

19 I had another cite in the other -- one of the
20 other sentencings, but I'll cite this that comes to
21 mind. As I listen to you I think of President Reagan,
22 he said this. "Freedom is a fragile thing, never more
23 than one generation away from extinction. It must be
24 fought for and defended in every generation for it comes
25 but once to a people."

1 Now in that quote he uses the word "generation"
2 two times and that includes your generation. Not just
3 your parent's generation or my generation before that,
4 that includes your generation. And when it came to you
5 -- and you are saddled with this, there's no getting
6 around it, though I wish you -- and I'm very sincere on
7 this, the very best of life once you get this behind
8 you, but you are saddled with the knowledge that when it
9 came to you you did not fight for or defend the First
10 Amendment for our Constitution, it seems that you did
11 not even recognize it. That's extraordinarily sad.

12 This is a fair and a just sentence. You have the
13 right to appeal from any findings or rulings the Court
14 has made against you. Should you appeal and should your
15 appeal be successful, in whole or in part and the case
16 remanded, you'll be resentenced before another judge.
17 Mr. Ubhaus, if an appeal is decided upon, you want
18 transcript, seek it from this session of the court
19 because I'll turn it around right away.

20 Do you understand?

21 (Interruption by Clerk.)

22 THE COURT: Oh, the Clerk points out that I have
23 not made mention of the conditions of probation. They
24 are all the general conditions and the special
25 conditions set forth in the presentence report. And I

1 thank the Clerk.

2 Mr. Ubhaus, you understand, if you want
3 transcript?

4 MR. UBHAUS: Yes, no problem, your Honor.

5 THE COURT: Very well. That's the sentence of the
6 Court. We'll stand in recess.

7 (Ends, 1:00 p.m.)

8

9 C E R T I F I C A T E

10

11 I, RICHARD H. ROMANOW, OFFICIAL COURT REPORTER, do
12 hereby certify that the forgoing transcript of the
13 record is a true and accurate transcription of my
14 stenographic notes, before Judge William G. Young, on
15 Thursday, November 3, 2022, to the best of my skill and
16 ability.

17

18

19

20

21 /s/ Richard H. Romanow 12-02-22

22 _____
RICHARD H. ROMANOW Date

23

24

25